

MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

December 18, 2012

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, December 18, 2012 at approximately 8:35 a.m. at the CHA Corporate Offices, 60 East Van Buren, 12th Floor Loft in Chicago, IL.

Chairwoman Z. Scott called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Adela Cepeda Mark Cozzi Dr. Mildred Harris Harriet Johnson Carlos Ponce Bridget Reidy Z. Scott
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Absent:	Deverra Beverly Myra King Sandra Young
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Also present were Charles Woodyard, Chief Executive Officer; Melissa Freeman Cadoree, Deputy Legal Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Upon Motion made and properly seconded, the Commissioners adjourned to Executive Session. Chairwoman Scott announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, Commissioners will meet in Closed Meeting to discuss matters under the following exceptions: personnel related matters and selection of legal counsel under (c)(1); pending/imminent/probable litigation under (c)(11); and discussion of semi-annual review of minutes under 2(c)(21).

The Commissioners subsequently reconvened in Open Session and Chairwoman Scott thereupon convened the Business and Public portion of the meeting.

After Motion Made by Commissioner Cepeda and seconded by Commissioner Reidy, the Closed Meeting Minutes and Regular Board Meeting Minutes of November 20, 2012 were unanimously approved as submitted.

Chairwoman Scott then informed the public that pursuant to the Open Meeting Act 5 ILCS 120/2.06 under the exception 2(c)(21), the Commissioners discussed in Closed Meeting the semi-annual review of minutes for Closed Meetings. After discussion, the determination was made that the need for confidentiality still exists as to all of the minutes going back to January

20, 2004 through November 20, 2012. After a Motion was introduced by Commissioner Cepeda and properly seconded by Commissioner Reidy the minutes of the Closed Meetings from January 20, 2004 to November 20, 2012 to remain confidential, was unanimously approved.

Chairperson Scott then announced that during Closed Meeting, Commissioners discussed the Personnel Action Reports for the month of November 2012 and Personnel Actions for December 2012. An Omnibus Motion for the approval of Item No. A1 and A2 was presented by Commissioner Cozzi.

(Item No. A1)

RESOLUTION NO. 2012-CHA-102

WHEREAS, The Board of Commissioners has reviewed staff memorandum dated December 12, 2012 entitled "Personnel Actions Reports", and concurs in the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the personnel actions contained in the personnel reports for the period November 1, 2012 thru November 30, 2012 is hereby accepted.

(Item No. A2)

RESOLUTION NO. 2012-CHA-103

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012, entitled "Approval of Personnel Actions":

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the requested personnel actions.

The Omnibus Motion to adopt resolutions for Items A1 and A2 was seconded by Commissioner Johnson and the voting was as follows:

Ayes:	Adela Cepeda
	Mark Cozzi
	Dr. Mildred Harris
	Harriet Johnson
	Carlos Ponce
	Bridget Reidy
	Z. Scott

Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Adela Cepeda, Chairwoman of the Finance Committee, then presented the following report. Per Commissioner Cepeda, the regularly scheduled Finance Committee meeting was held on Wednesday, December 12, 2012, at approximately 1:00 p.m. at the CHA Corporate Offices. Present at the meeting were the following Committee Members: Commissioners Cozzi, Ponce, Reidy and Young. Linda Riley-Mitchell, Chief Financial Officer, and staff presented the

Committee with the November 2012 Treasury and Cash Flow Report and Items B1 thru B4 appearing on the Agenda.

(Item B1)

Commissioner Cepeda informed Madam Chairperson that Item B1, approval of the FY2013 Comprehensive Budget, was tabled at the December 12th Committee Meeting, so that Commissioners could have an opportunity to schedule additional briefings and further review the proposed Budget. Several Commissioners met with the Chief Executive Officer and Chief Financial Officer to further review the FY2013 Comprehensive Budget.

The CEO then advised the Board that several contingency items are included in the Comprehensive Budget and these items will be re-submitted to the Board, at a later date, for further review and approval. Commissioners were then provided with a report on FY2013 Unit Delivery. Per Mr. Woodyard 525 units are scheduled for delivery in FY2013 which includes 180 units under the Project Rental Assistance Program. The average per unit cost is approximately \$270,000.00. The CEO then concluded his report on the budget by highlighting costs associated to unit production and acquisition under Family, Mixed Income, Property Investment Initiative and HCE programs.

The FY2013 Comprehensive Budget totaling \$1.085 billion includes the following fund categories: MTW Fund: total revenue for FY2013 is \$1.045 billion. The MTW Fund combines the Low-Rent, Capital and Section 8 programs into a block grant as allowed by HUD under the Amended and Restated MTW agreement. Total MTW Fund revenues consist of Dwelling Rental Income, Interest Income, Capital Grant Funds, Housing Assistance Subsidy, Operating Subsidy and Other Income. Section 8 Fund (Non-MTW): total revenue for this program is \$13.4 million. These contracts provide appropriations for approximately 1,276 of Mod Rehab vouchers, 50 Mainstream vouchers and 520 Veteran's Affairs Supportive Housing (VASH) vouchers for housing assistance based on annual contributions contracts from HUD. Hope VI Fund: total revenue equals \$12.8 million. These funds are used to support relocation, revitalization, community and supportive services programs. Other Funds: total revenue is \$13.4 million. Revenue consists of federal, state and local grants that will be used for redevelopment work at Lake Park Crescent and the acquisition of land near the LeClaire courts site. These funds will also serve to enhance or augment funding for critical programs and services that the CHA provides to its residents. The estimated sum of all revenues for FY2013 plus the amount of FY2012 fund balance available for appropriation in FY2013 is equal to the estimated sum of all expenditures to be made/incurred during FY2013 and any unpaid liabilities at the beginning of FY2013.

RESOLUTION 2012-CHA-104

WHEREAS, the Board of Commissioners has reviewed the Board letter dated December 12, 2012, entitled "APPROVAL OF THE FY2013 COMPREHENSIVE BUDGET";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached, "FY2013 COMPREHENSIVE BUDGET", and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

The Motion to adopt resolution for Item B1 was seconded by Commissioner Cozzi and the voting was as follows:

Ayes:	Adela Cepeda Mark Cozzi Dr. Mildred Harris Harriet Johnson Carlos Ponce Bridget Reidy Z. Scott
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Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

On behalf of the Finance Committee, Commissioner Cepeda then presented an Omnibus Motion for the approval of Items B2, B3 and B4.

(Item B2)

Aon Risk Services, Inc. has been the Chicago Housing Authority's commercial insurance broker of record since 2006. Aon is the leading global provider of risk management, insurance and reinsurance brokerage, and human resources solutions and outsourcing services. Through its more than 61,000 colleagues worldwide, Aon unites to empower results for clients in over 120 countries via innovative and effective risk and people solutions and through industry-leading global resources and technical expertise. The resolution for Item B2 approves an amendment extending Contract 11037 with Aon Risk Services, Inc. for brokerage and consulting services for the period of February 1, 2013 through January 31, 2014, for an amount not-to-exceed \$214,200.00.

RESOLUTION NO. 2012-CHA-105

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012, entitled "AUTHORIZATION TO EXERCISE ONE-YEAR OPTION FOR

CONTRACT NUMBER 11037 WITH AON RISK CONSULTANT, INC. FOR
BROKERAGE AND CONSULTING SERVICES”.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to execute Amendment No 1 to Contract No 11037 with Aon Risk Services, Inc. to exercise the first one-year option to provide brokerage and consulting services for additional period, February 1, 2013 through January 31, 2014, for an amount not-to-exceed \$214,200.00.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B3)

To support the Plan for Transformation and the process of relocating CHA families, the Information Technology Services Department (ITS) developed and implemented numerous applications based on an Oracle centralized database. This provides the CHA with access to reliable data on a real-time basis to support executive decision making. Among the many CHA systems and applications that rely upon Oracle databases and other applications, the CHA developed the Resident Management Tracking System (RMTS), which tracks and manages residents as they move in and out of their temporary housing, or into their new permanent housing. Two additional core CHA applications that also utilize the Oracle databases and systems are the Housing Offer Program (HOP) and Yardi Systems. Prudent business practices dictate having maintenance agreements established on all essential software applications. The Oracle maintenance and support agreement is necessary to provide access to product enhancements, upgrades and updates for supported products, as well as telephone and electronic support from Oracle’s qualified product technicians. Due to the continuing reliance of CHA’s technology operations upon the Oracle software platforms, the resolution for Item B3, approves the renewal of maintenance and support services for a one year period with Oracle Corporation, in an amount not-to-exceed \$239,282.18.

RESOLUTION NO. 2012-CHA-106

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated December 12, 2012 titled “AUTHORIZATION TO ENTER INTO A ONE (1) YEAR CONTRACT WITH ORACLE CORPORATION FOR RENEWAL OF SUPPORT AND MAINTENANCE SERVICES”.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into a one (1) year contract with Oracle Corporation for the renewal of support and maintenance services for Oracle database software, Oracle Business Intelligence software and Primavera software, for the period of January 1, 2013 through December 31, 2013, in an amount not-to-exceed \$239,282.18.

These awards are subject to each Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B4)

The resolution for Item B4 approves contract with Infor, Inc. (formerly Lawson Software, Inc.) the maintenance and support services for an additional one year period to continue to support the Lawson System implemented and in use at the CHA. It was originally envisioned that the selected ERP system contemplated under RFS 04-01309-01 would suit the agency's needs for a period between seven to ten years (presuming no significant changes in market conditions), and the Lawson System has performed to those expectations since implementation. The Lawson System continues to serve valuable operations and functions for the CHA, and its continued maintenance and support was approved for sole source procurement for the requested one year contract term.

RESOLUTION NO. 2012-CHA-107

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012 entitled," AUTHORIZATION TO ENTER INTO A ONE (1) YEAR AGREEMENT WITH INFOR FOR MAINTENANCE AND SUPPORT SERVICES".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with Infor, Inc. (formerly Lawson Software, Inc.) for a one (1) year term to support and maintain the Lawson System, which serves as the Chicago Housing Authority's Enterprise Resource Planning system, for compensation not to exceed \$255,794.67 for the one (1) year term.

The Omnibus Motion to adopt resolutions for Items B2, B3 and B4 was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Adela Cepeda
	Mark Cozzi
	Dr. Mildred Harris
	Harriet Johnson
	Carlos Ponce
	Bridget Reidy
	Z. Scott

Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Commissioner Bridget Reidy, Chairwoman of the Operations Committee then presented her report. Per Commissioner Reidy, the Operations and Facilities Committee meeting was held on Wednesday, December 12, 2012, at approximately 1:35 p.m. at the CHA Corporate Offices. Members of the Committee were briefed on the two items appearing on the Committee Agenda. Per Commissioner Reidy, after deliberation by the Committee on Item C1, staff was requested to provide an independent assessment on the viability of wireless, digital and internet

communication as related to the requested contract modification. The documentation provided by staff was reviewed and properly address the Committee's concerns. Accordingly, on behalf of the Operations and Facilities Committee, a Motion for the approval of Item C1 was presented by Commissioner Reidy.

(Item C1)

The resolution for Item C1 approves Contract Modification No. G-03 to Contract No. 11119 to replace the telephone infrastructure at Judge Frederick W. Slater Apartments, a senior development located at 740 East 43rd Place, Chicago, IL. This infrastructure has deteriorated beyond repair. During ongoing construction at Judge Slater Apartments, the existing telephone lines hidden within the walls were discovered to be damaged and corroded. The full extent of the damage was not apparent until the walls had been opened as part of the Scope of Work for Contract No. 11119 with Old Veteran Construction, Inc. The replacement of these lines is needed to ensure the reliability of the residents' telephone service, and to provide the backbone to a new access control system being installed in the building. This system will allow visitors to contact individual residents via the built-in intercom system. The phone lines must be in working condition for the phones, intercom and new access control system to function effectively. Stage 1 of the replacement of these phone lines was authorized under Modification G-02. Modification G-03 includes the balance of the phone line replacement.

RESOLUTION NO. 2012-CHA-108

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012 entitled "AUTHORIZATION TO EXECUTE CONTRACT MODIFICATION NO. G-03 TO CONTRACT NO. 11119 WITH OLD VETERAN CONSTRUCTION, INC. FOR TELEPHONE SYSTEM ENHANCEMENTS AT JUDGE FREDERICK W. SLATER APARTMENTS";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to execute Contract Modification No. G-03 to Contract No. 11119 with Old Veteran Construction, Inc. for telephone system enhancements in the amount of \$246,900.00 at Judge Frederick W. Slater Apartments. The new contract total for Contract No. 11119 is \$ 13,979,730.80. The Contract completion date is unchanged.

This award is subject to Old Veteran Construction's compliance with the CHA's MBE/WBE/DBE, Section 3, and bonding and insurance requirements for this contract.

The Motion to adopt resolution for Item C1 was seconded by Commissioner Harris and the voting was as follows:

Ayes:	Adela Cepeda
	Mark Cozzi
	Dr. Mildred Harris
	Harriet Johnson
	Carlos Ponce
	Bridget Reidy
	Z. Scott

Nays:

None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

On behalf of the Operations and Facilities Committee, Commissioner Reidy then presented a Motion for the approval of Item C2.

(Item C2)

From January 2004 through September 2004, HUD conducted an accessibility compliance review of the CHA's programs, services and activities, including designated accessible housing units, associated common areas, on-site management offices, housing programs, and non-housing programs and activities. As a result of the infractions found during the review, the CHA entered into a Voluntary Compliance Agreement (VCA) with HUD effective May 1, 2006. The VCA will last for the duration of seven (7) years over which time the CHA must progressively certify that 5.3% of its units are accessible for individuals with mobility impairments and 2.1% of its units are accessible for individuals with sensory impairments.

In December 2009, the Board authorized CHA to enter into a two year base term contract with LCM pursuant to a competitive procurement. Furthermore, LCM has served as the CHA's HUD-approved Third-Party Certifier for the past five years, which includes a previous contract. Under the Contract's base-term, LCM has satisfactorily performed the required services. During that time, LCM has assisted the CHA in accomplishing the certification of its accessible housing in its senior portfolio in time to achieve the VCA benchmark of December 2010. They have certified nearly 100% of the accessible units in CHA's family housing throughout the Mixed-Income Mixed-Finance, Traditional, and Scattered Sites portfolios, and they continue to provide professional guidance and inspections for planned units and units under construction. LCM has an extensive knowledge of accessibility codes and has years of experience doing work very similar to the scope required by CHA at other public entities, including other public housing authorities, the Mayor's Office for People with Disabilities, and sister agencies, such as Chicago Public Schools and the Chicago Transit Authority, as well as past work with the CHA. Accordingly, the resolution for Item C2 approves the second and final option to Contract No. 9175 with LCM Architects, Ltd., not-to-exceed \$300,000.

RESOLUTION NO. 2012-CHA-109

WHEREAS, the Board of Commissioners has reviewed Board Letter dated December 12, 2012, entitled "Authorization to Exercise the Second and Final Option to Extend Contract No. 9175 for Accessibility Consulting Services with LCM Architects, Ltd.";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to exercise the second option to extend the Contract No. 9175 with LCM for professional architectural/engineering services for the period of January 1, 2013 through December 31, 2013 and increase the Contract's funding by an amount not-to-exceed \$300,000.00 adding it to the carryover balance available at the end of the base term and first option year, if any. The Contract's new aggregate not-to-exceed amount will be \$1,690,000.00.

The Motion to adopt resolution for Item C2 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Adela Cepeda
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Carlos Ponce
Bridget Reidy
Z. Scott

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

In the absence of Committee Chair Sandra Young, Commissioner Mildred Harris, presented the report for the Tenant Services Committee. Per Commissioner Harris, the Tenant Services Committee Meeting was held on Wednesday, December 12 at approximately 2:05 p.m. at the 60 E. Van Buren Corporate Offices.

On behalf of the Tenant Services Committee, Commissioner Harris presented an Omnibus Motion for the approval of Items D1 and D2, discussed, voted and recommended for Board approval.

(Item D1)

The resolution for Item D1 approves Intergovernmental Agreements with the Chicago Park District (CPD) and the Chicago Department of Family and Support Services (DFSS) to provide support services for CHA families in an aggregate amount not-to-exceed \$2,158,053 for the period of January 1, 2013, through December 31, 2013, and to accept a grant award of up to \$80,000 and enter into an Intergovernmental Agreement with the Chicago Department of Public Health (CDPH) for the period of January 1, 2013, through December 31, 2013. For nearly a decade, CHA has collaborated with city sister agencies to provide direct and targeted access to the network of services and available programs that CPD, DFSS and CDPH offer. Chicago Park District: CHA and CPD collaborate to provide year-round park district programs for CHA youth who otherwise may not be able to participate due to cost. The IGA allows CHA youth to pay reduced rates for Park District programming (\$5-\$15 depending on the program) and the remaining program fees are shared evenly between CHA and CPD. Department of Family and Support Services: CHA and DFSS collaborate each year to provide services in the areas of early childhood development, out-of-school time programs for youth, homeless prevention services for families, and senior services. Department of Public Health: CHA and CDPH jointly fund substance abuse and wellness services for CHA residents through Intergovernmental Agreements. In 2012, through the IGA with CDPH, CHA piloted youth substance abuse prevention programs and will use the grant award from CDPH in 2013 to expand the programs. CHA will also commit a 1:1 match to enhance youth substance abuse prevention services in 2013.

RESOLUTION NO. 2012-CHA-110

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012, entitled "AUTHORIZATION TO ENTER INTO

INTERGOVERNMENTAL AGREEMENTS WITH THE CHICAGO PARK DISTRICT, THE CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES AND CHICAGO DEPARTMENT OF PUBLIC HEALTH”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to enter into Intergovernmental Agreements with the Chicago Park District and the Chicago Department of Family and Support Services to provide support services for CHA families in an aggregate amount not-to-exceed \$2,158,053 for the period of January 1, 2013 through December 31, 2013 and to accept a grant award of up to \$80,000 and enter into an Intergovernmental Agreement with the Chicago Department of Public Health for the period of January 1, 2013 through December 31, 2013.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item D2)

The resolution for Item D2 approves award of contracts to National Able Network and De La Salle Tolton Center to provide Literacy Services for CHA residents. Research shows that more than 600,000 adults in the Chicago area are below an eighth grade literacy level, with very low-income adults making up nearly 50% of that population. Adults with low literacy are more likely to earn lower wages, are less likely to engage in academic activities with their children and are correlated to higher crime rates. The literacy services to be provided by these programs will target residents with very low literacy levels, defined as being at or below a sixth grade level, as determined by the Test of Adult Basic Education (TABE). It is the goal of the program that participants will increase literacy levels with expectation that they will be able to achieve goals related to further employment and education or training. A total of 300 residents will enroll in the programs, with a minimum of 200 participants successfully completing the program. Any resident who is referred to Able or Tolton and tests above the target literacy level prior to enrollment will be referred to additional services provided by the respective agency (e.g., adult education, employment assistance, GED programs). National Able is a multi-state organization that provides individuals with employment counseling, training and placement services, and in 2005 established the Able Career Institute in response to the growing demand for adult remedial and bridge education opportunities. It is through the Career Institute, in conjunction with funding through the Illinois Community College Board (ICCB), that Able will serve CHA residents in its introduction to adult literacy program. For more than 22 years, the Tolton Center has provided adult education and family literacy services to low-skilled and low-income adults. Tolton’s menu of programming includes literacy training, adult basic education, English as a Second Language, family literacy and life skills (e.g., career planning, employability). The Tolton Center uses evidence-based models for their literacy programs and has a significant record of showing measurable gains in adult literacy. Tolton will be increasing the capacity of its existing programs to serve CHA residents in its adult literacy program.

RESOLUTION NO. 2012-CHA-111

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated December 12, 2012 entitled “AUTHORIZATION TO ENTER INTO CONTRACTS WITH

NATIONAL ABLE NETWORK AND DE LA SALLE INSTITUTE TOLTON
CENTER TO PROVIDE LITERACY SERVICES”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to enter into contracts with National Able Network and De La Salle Institute – Tolton Center for adult literacy services in an aggregate amount not-to-exceed \$997, 143 for the period of December 19, 2012 through December 18, 2014, with two (2) one year options for each respective contract reserved to the CHA to exercise at its discretion.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

The Motion to adopt resolutions for Items D1 and D2 was seconded by Commissioner Ponce and the voting was as follows:

Ayes: Adela Cepeda
Mark Cozzi
Dr. Mildred Harris
Harriet Johnson
Bridget Reidy
Carlos Ponce
Z. Scott

Nays: None

There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolutions adopted.

Melissa Freeman Cadoree, Deputy Chief Legal Officer then provided Commissioners with an overview of General Item No. 1: Recommendation to adopt Inspector General Guidelines. A question and answer session ensued.

A motion was then made by Commissioner Ponce for the approval of General Item No. 1. This Motion was seconded by Commissioner Cozzi.

(General Item No. 1)

The proposed Inspector General Guidelines are consistent with those being adopted by the City of Chicago and its other sister agencies. The Guidelines address the following: the appointment of an Inspector General for a four year term by a majority of the Board of Commissioners; the provision of staff and resources by the Audit Committee; the reporting of the Inspector General to the Audit Committee; and the granting of certain powers and duties to the Inspector General, including: reviewing programs, policies, procedures and functions to identify and eliminate inefficiencies, waste and misconduct; receiving, registering and investigating complaints and information from any source, and cooperating with the Authority’s Ethics Officer; requesting and receiving information related to investigations; investigating and reviewing the conduct and performance of the Authority’s officers, employees, Board members, agents and contractors;

reporting results of investigations to the Audit Committee; maintaining operational independence from the Board; and requesting public hearings in furtherance of an investigation.

After further discussion on the operational efficiencies of the Inspector General's office, Commissioner Ponce presented an amended motion, seconded by Commissioner Cozzi to amend the Board Letter provided to Commissioners by changing the word "operations" to guidelines, under Corporate Goal.

RESOLUTION NO. 2012-CHA-112

WHEREAS, the Board of Commissioners hereby finds and determines that it is necessary and in the best interests of the Authority to adopt the Inspector General Guidelines as set forth in Exhibit A attached hereto;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

Section 1. Incorporation of Recitals. The recitals set forth above are hereby found to be true and correct and are incorporated in their entirety as if fully set forth in this Section 1.

Section 2. Approval and Adoption of Inspector General Guidelines. The Inspector General Guidelines as set forth in Exhibit A are hereby approved and adopted.

Section 3. Effective Date. This Resolution shall be in full force and effect after its passage as provided by law.

Exhibit A

Office of the Inspector General

1. Staffing and Resources

The Office of Inspector General ("Office") shall be managed by an Inspector General, who shall be appointed to a four year term by a majority of the Board of Commissioners of the Authority (the "Board") and who may be removed from office prior to the expiration of his or her term only for cause by a majority of the Board. The Inspector General is responsible for managing the Office, which shall include the oversight and supervision of assistants, investigators and such other employees as shall be necessary to carry out the business of the Office. Said assistants, investigators and other individuals shall be employees or contractors of the Authority, hired in conformance with the provisions generally applicable to Authority employees or contractors, and/or other personnel as detailed from other agencies. (Political considerations may play no role in the hiring, retention or dismissal of said employees or contractors.) The Inspector General may submit evaluations of the employees and may recommend that individual employees under his or her oversight be promoted, removed, disciplined or re-assigned or may recommend the amendment or termination of Office contracts, as deemed necessary for the efficient administration of the Office.

In order to ensure that the Office has sufficient resources for its responsibilities and functions, the Audit Committee of the Authority ("Audit Committee") shall ensure that the Office has an annual budget sufficient to meet the needs of the Office, in terms of both employees and

resources. The Inspector General shall establish the organization structure appropriate to carrying out the responsibilities and functions of the Office.

2. Reporting

The Inspector General shall report to the Audit Committee. The Inspector General shall be operationally independent from the Board. The Board shall not prevent, impair or prohibit the Inspector General from initiating, carrying out or completing any investigation or review.

3. Powers and Duties

In addition to other powers conferred herein, the Inspector General shall have the following powers and duties:

- a) Cooperate with the Authority's auditors to promote economy, efficiency, effectiveness and integrity in the administration of programs and operations of the Authority by, at the request of the Audit Committee, reviewing programs, identifying any inefficiencies, waste and potential for misconduct therein, and recommending policies and methods for the elimination of inefficiencies and waste, and for the prevention of misconduct.
- b) Receive, register and investigate complaints and information from any source, and cooperate with the Authority's Ethics Officer who may receive such complaints, pertaining to waste, fraud, and abuse within the Authority; contractor subcontractor, consultant or vendor misconduct; fraud or collusion involving Authority contracts and/or contractors, subcontractors, consultants, or vendors; misuse, embezzlement or theft of Authority resources; conflicts of interest, bribery or misconduct involving Authority personnel; or other unethical or illegal activities involving Authority property, officers, employees, Board members, agents, contractors, subcontractors, consultants or vendors.
- c) Request and receive information related to an investigation from officers, employees, Board members, agents, and contractors of the Authority and conduct interviews.
- d) Investigate and review the conduct and performance of the Authority's officers, employees, Board members, agents and contractors; review the Authority's policies, procedures, functions and programs, either in response to a complaint or on the Inspector General's own initiative, in order to detect and prevent waste, fraud, abuse or misconduct, and promote efficiencies within the programs and operations of the Authority.
- e) The Inspector General with the concurrence of either the General Counsel or the Chief Executive Officer ("CEO") is hereby authorized by the Board, pursuant to the authority vested in it under the Act, to issue subpoenas to compel the attendance of witnesses for purposes of examination and the production of documents and other items for inspection and/or duplication when requested by the Inspector General.
- f) Report to the Audit Committee concerning results of investigations undertaken by the Office; and

- g) Request that the Board conduct public hearings in furtherance of an investigation hereunder.

4. Scope:

The powers and duties of the Inspector General shall extend, except as otherwise limited in this Section, to the conduct of the following:

- a) All officers of the Authority in the performance of their official duties;
- b) All employees of the Authority in the performance of their duties;
- c) Members of the Board;
- d) All agents acting on behalf of the Authority; and
- e) All contractors, subcontractors, consultant and vendors providing, or seeking to provide goods or services to the Authority pursuant to a contract with the Authority.

If the Office receives a report of an allegation pertaining to an Audit Committee Member, the Inspector General will confer with the Audit Committee Chair; if the Office receives a report of an allegation pertaining to the Audit Committee Chair, the Inspector General will confer with the Chairperson of the Board (the "Chairperson") or if the Office receives a report of allegation pertaining to the Chairperson, then the Inspector General shall confer with the Inspector General of the City of Chicago in order to engage an independent person to conduct the investigation.

5. Duty to Report

It shall be the duty of every employee, Board member, agent, and contractor of the Authority to report any fraud, mismanagement, waste of funds or resources, abuse of authority, misconduct, conflicts of interest, ethical violations or other improper act by another involving Authority business or assets to the Office or to the appropriate law enforcement personnel. Any employee found to have knowledge of such acts and who does not report them as required herein shall be subject to discipline, up to and including termination.

6. Reporting Results of Investigations or Reviews

Upon conclusion of an investigation or review, the Inspector General shall issue a summary report thereon, a copy of which shall be provided to the Audit Committee.

The report shall not mention the name of any informant, complainant, witness or person investigated or reviewed, unless otherwise authorized by the Audit Committee.

The report shall include the following:

- a) A description of any complaints or other information received by the Inspector General pertinent to the investigation;
- b) A description of any waste, fraud, mismanagement, misconduct or unethical or illegal activities observed in the course of the investigation;
- c) Recommendations for disciplinary, administrative or other action as deemed appropriate;
- d) Such other information as the Inspector General may deem relevant to the investigation or review and any resulting recommendations.

7. Prohibition of Retaliation

No person shall retaliate against, punish or penalize any other person for complaining to, cooperating with or assisting the Inspector General in the performance of his or her office.

8. Quarterly Report

No later than the fifteenth day of January, April, July and October of each year, the Inspector General shall file with the Audit Committee a quarterly report, accurate as of the last day of the preceding month, indicating the number of investigations and reviews initiated since the date of the last quarterly report, the number of investigations and reviews concluded since the last quarterly report, and the number of investigations and reviews pending as of the reporting date.

The quarterly report shall also include the number of investigations and reviews of the conduct of officers, the number of investigations and reviews of the conduct of agents of the Authority. The quarterly report shall identify any investigation or review which has not been completed within six months, and shall state the reasons for failure to complete the investigation or review within six months. The quarterly report shall include the number of investigations and reviews involving alleged waste, fraud, mismanagement, misconduct or unethical or illegal activities.

9. Annual Report

No later than the first day of February of each year, the Inspector General shall file with the Audit Committee an annual report, accurate as of the last day of the preceding calendar year, providing a consolidated version of all information provided in that year's quarterly reports, a consolidated version of the that year's summary reports, and a description of any actual or potential waste, fraud, mismanagement, misconduct or unethical or illegal activities within the Authority, recommendations to the Board of policies and methods for the elimination or prevention of such waste, fraud, and abuse, and any additional information which the Inspector General deems appropriate.

10. Confidentiality

All files and reports of the Office shall be confidential and shall not be divulged to any person or agency, except (a) to appropriate federal, state, or local law enforcement authority, (b) as otherwise provided in this Resolution, (c) as otherwise authorized by the Audit Committee, or (d) as otherwise required by law.

11. Effective Date

This Resolution shall be in full force and effect from and after its passage.

The Amended Motion to adopt resolution for General Item No. 1 was seconded by Commissioner Cozzi and the voting was as follows:

Ayes:	Adela Cepeda Mark Cozzi Dr. Mildred Harris Harriet Johnson Carlos Ponce Bridget Reidy Z. Scott
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Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

Chairwoman Scott then presented a Motion for approval of the 2013 Board Related Meeting schedule, which does not include dates for meetings in January 2013. The Motion was properly seconded by Commissioner Harris and the voting was as follows:

Ayes:	Adela Cepeda Mark Cozzi Dr. Mildred Harris Harriet Johnson Bridget Reidy Z. Scott
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Abstention:	Carlos Ponce
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Nays:	None
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There being no questions or discussion, Chairwoman Scott thereupon declared said Motion carried and said resolution adopted.

Mr. Woodyard, Chief Executive Officer then presented his monthly report. Mr. Woodyard commenced his report by introducing Mike Jasso, Executive Vice President of Development. Mr. Jasso was warmly applauded by Commissioners and public. Mr. Woodyard then provided Commissioners with an update on the Choice Neighborhood Grant and holiday events coordinated by Resident Services Programs.

Chairwoman Scott then invited residents and the public at large to address the Board.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the December meeting of the Board of Commissioners was adjourned at approximately 10:25 a.m.

s/b:	<hr/> Z. Scott, Chairwoman Chicago Housing Authority
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s/b:	<hr/> Lee Chuc-Gill, Secretary Custodian and Keeper of Records
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